

MAR 16 1993 1-40 PM

INTERSTATE COMMERCE COMMISSION

RE: Lease between Salt City Energy Venture, L.P.

_____, as lessee and undersigned, dated 12/20/1992, having aggregate unpaid rentals of \$948,000.00.

For value received, undersigned ("Assignor") hereby sells, assigns, transfers and sets over to The CIT Group/Equipment Financing, Inc., its successors and assigns ("Assignee"), WITHOUT RECOURSE as to the financial ability of the lessee to pay, the annexed above-named lease ("lease"), together with all rental payments due and to become due thereunder, and all amounts due and to become due in connection with the exercise by lessee of an option, if any, to purchase the property described in the lease.

Assignor also assigns to Assignee all of Assignor's rights and remedies under the lease and any guaranty thereof, including the right to take, in Assignor's or Assignee's name, any and all proceedings legal, equitable or otherwise, that Assignor might otherwise take, save for this assignment.

As security for all amounts due to Assignor under the lease, and all other present and future indebtedness or obligations of Assignor to Assignee of every kind and nature whatsoever, Assignor hereby grants to Assignee a security interest in all property covered by and described in the lease. Title to all such property shall remain in the Assignor and is not transferred to Assignee for any purpose.

Assignee shall have no obligation of Assignor as lessor under the lease.

Assignor warrants that: Assignor is the owner of the property described in the lease free from all liens and encumbrances except the lease; the aggregate unpaid rentals shown above is correct; the lease and any accompanying notes, guaranties, waivers and/or other instruments (collectively "lease") are true, valid and genuine and represent existing valid and enforceable obligations in accordance with their terms; all signatures, names, addresses, amounts and other statements and facts contained therein are true and correct; the lease (including its form and substance and the computation of all charges) and the transaction underlying the obligation conforms to all applicable laws, rules, regulations, ordinances and orders; the property has been delivered to lessee under the lease on the date set forth below in satisfactory condition and has been accepted by the lessee; the lease is not and will not at any time be subject to any defense, claim, counterclaim or setoff and Assignor will comply with all its obligations under the lease; the lease constitutes a valid reservation of unencumbered title to or a perfected first priority security interest in the property covered thereby, effective against all persons and any filing, recordation or any other action or procedure permitted or required by law to perfect such security interest has been or will be accomplished; and all down payments received have been made in cash except down payments represented by equipment trade-ins. In addition, Assignor shall indemnify and save Assignee harmless from any loss, damage or expense, including attorneys' fees, incurred by Assignee as a result of Assignor's breach of any of the terms of this assignment or any of the warranties, obligations or undertakings described herein. In the event that Assignee reasonably determines that (i) Assignor has or may have breached any of the terms hereof or any of its warranties with respect to the lease or, (ii) that lessee has failed to pay or perform any obligation for any reason other than the lessee's financial inability to pay, Assignor will, upon Assignee's request, promptly repurchase the lease for an amount equal to the unpaid balance thereon, including accrued interest, plus any expenses of collection, repossession, transportation and storage incurred by Assignee, less any customary refund by Assignee of unearned charges.

Assignor agrees that Assignee may in Assignor's name endorse all remittances received. Assignor waives notice of acceptance hereof and of presentment, demand, protest and notice of non-payment or protest as to all leases now or hereafter signed, accepted, endorsed or assigned to Assignee. Assignor waives all exemptions and homestead laws and any other demands and notices required by law, and Assignor waives all setoffs and counterclaims. Assignee may at any time, without consent of Assignor, without notice to Assignor and without affecting or impairing the obligation of Assignor hereunder, do any of the following:

- (a) renew, extend (including extensions beyond the original term of the lease), modify, release or discharge any obligation of lessee or any other person obligated on the lease or on any accompanying guaranty ("the lease obligations");
- (b) agree to the substitution of a lessee;
- (c) accept partial payments of the lease obligations;
- (d) accept new or additional documents, instruments or agreements relating to or in substitution of the lease obligations;
- (e) settle, release (by operation of law or otherwise), compound, compromise, collect or liquidate any of the lease obligations and the security therefor in any manner;
- (f) consent to the transfer or return of the property described in the lease and take and hold additional security or guaranties for the lease obligations;
- (g) amend, exchange, release or waive any security or guaranty; or
- (h) bid and purchase at any sale of the lease or the property described in the lease and apply any security or proceeds and direct the order and manner of sale.

Assignor shall have no authority to, and will not, without Assignee's prior written consent, accept payments of rents or of option prices, repossess or consent to the return of the property described in the lease or modify the terms thereof or of any accompanying guaranty. Assignee's knowledge at any time of any breach of or non-compliance with any of the foregoing shall not constitute any waiver by Assignee.

Property covered by the lease was delivered to lessee on _____, 19____

Dated 1/6, 1993

Lessor-Assignor

The Hamilton Companies, Inc.
Name of individual, corporation or partnership

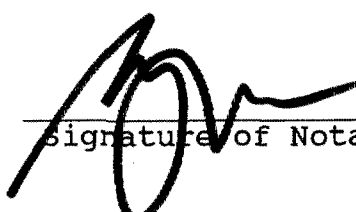
By Samuel P. Weisler Title PRESIDENT
If corporation, have signed by President, Vice President or Treasurer, and give
official title. If owner or partner, state which.

CORPORATE FORM OF ACKNOWLEDGMENT

State of NEW YORK

County of ONONDAGA, ss:

On this sixth day of January, 1993, before me personally appeared KENNETH P. WALSLEBEN, to me personally known, who being by me duly sworn, says that he is the President of The Hamilton Companies, Inc., is acting on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the Assignment of Lease-Without Recourse in favor of The CIT Group/Equipment Financing, Inc. was a free act and deed of said corporation.



Signature of Notary Public

BRUCE A. SMITH
Notary Public, State of New York
Qualified in Onon. Co. No. 4861729
My Commission Expires February 5, 1994